

THE HONORABLE JOHN C. COUGHENOUR

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

PFS INVESTMENTS INC., et al.,

Plaintiffs,

v.

CIPRIAN ORTIZ JR., et al.,

Defendants.

CASE NO. C13-1159-JCC

ORDER

This matter comes before the Court on the parties' cross-motions for summary judgment (Dkt. Nos. 23, 26). Having thoroughly considered the parties' briefing and the relevant record, the Court finds oral argument unnecessary and hereby DENIES Defendant Ciprian Ortiz's motion (Dkt. No. 23) and GRANTS Plaintiffs' cross-motion (Dkt. No. 26) for the reasons explained herein.

**I. BACKGROUND**

This is an interpleader action concerning the proceeds of a life annuity. Yoling Ortiz ("Yoling"), the ex-wife of Ciprian Ortiz, Jr. ("Ciprian"), and her aunt, Ignacia Nicolas, established the annuity account in 2002 as joint owners. (Dkt. No. 1 at 3.) Ms. Nicolas died in 2005. (Dkt. No. 1 at 3.) It is undisputed that Plaintiffs owe \$148,361.00 under the annuity. (Dkt. No. 23 at 2; Dkt. No. 26 at 2.) Both Yoling and Ciprian have claimed to be the rightful beneficiary of the proceeds, although Defendant Ciprian disputes the evidentiary basis for

1 Plaintiffs' belief in Yoling's claim. Plaintiffs filed this interpleader action seeking to submit the  
2 \$148,361 into the Court's registry and thus discharge their obligations. (Dkt. No. 1 at 5.)

## 3 **II. DISCUSSION**

### 4 **A. Interpleader Action**

5 The purpose of an interpleader action is to resolve competing property claims and protect  
6 the party holding the property from multiple claims and liability. *See Premier Trust, Inc. v.*  
7 *Duvall*, 559 F.Supp.2d 1109, 1113 (D. Nev. 2008) (citing cases). "[I]n order to avail itself of the  
8 interpleader remedy, a stakeholder must have a good faith belief that there are or may be  
9 colorable competing claims to the stake." *Michelman v. Lincoln Nat. Life Ins. Co.*, 685 F.3d 887,  
10 894 (9th Cir. 2012). This is not an onerous standard and the stakeholder is not responsible for  
11 sorting out the merits of conflicting claims. *See id.* As Defendant recognizes, "interpleader has  
12 very low bar . . . ." (Dkt. No. 23 at 9.)

13 Plaintiffs have easily cleared this low bar. Defendant's arguments to the contrary appear  
14 to rest primarily on the inadmissibility of Plaintiffs' evidence. (Dkt. No. 32.) But Plaintiffs are  
15 not required to prove by admissible evidence that Yoling has a colorable claim; they must merely  
16 show a good-faith belief in the competing claim. The declarations submitted in support of their  
17 motion do so. (Dkt. Nos. 27, 28.) Defendant's other arguments are similarly meritless.

18 As disinterested stakeholders—which the Court concludes Plaintiffs are—Plaintiffs are  
19 entitled to reasonable attorney's fees, which will be determined upon application. *See Trustees of*  
20 *the Directors Guild of America-Producer Pension v. Tise*, 234 F.3d 415, 426 (9th Cir. 2000);  
21 *First Interstate Bank N.A. v. United States*, 891 F. Supp. 543, 548 (D. Or. 1995).

## 22 **III. CONCLUSION**

23 For the foregoing reasons, Defendant Ciprian Ortiz's motion for summary judgment is  
24 DENIED (Dkt. No. 23) and Plaintiffs' cross-motion is GRANTED (Dkt. No. 26).

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1 DATED this 29th day of May 2014.

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8 John C. Coughenour  
9 UNITED STATES DISTRICT JUDGE  
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